

OPERATOR INSPECTION-SPECIFIC INFORMATION

Inspection Date(s):	1/30/2014 through 1/30/2014		
Name of Operator:	Illiois Gas Company		
OPS Operator ID:	8030		
State/Other ID:	Illinois		
H.Q. Address: 1927 Miller Drive P.O. Box 276 Olney, Illinois 62450	Company Officer:	Darin Houchin	
	Title:	Professional Engineer	
	Phone Number:	618-392-5502	
	Fax Number:	618-392-2261	
Web Site:	http://usdi.us	Email Address:	darin@usdi.us
Employees Covered by OQ Plan:	23		
Contractors Covered by OQ Plan:	0		
Total Mileage Represented:	360		

Persons Interviewed	Title	Phone Number	Email Address
Mike Wendling	Engineer	618-392-5502	mwending@usdi.us

To add rows, press TAB with cursor in last cell.

OPS/State Representatives	Region/State
James Watts	Illinois

To add rows, press TAB with cursor in last cell.

Remarks:

This Operator Qualification ("OQ") plan is utilized by Illinois Gas Company and its subsidiary Utility Safety and Design Inc. ("USDI"). Illinois Gas / USDI personnel perform operation, maintenance and emergency response activities for Illinois Gas Company. The OQ plan review was conducted at the Illinois Gas headquarters in Olney, Illinois on January 30, 2014.

Mileage Covered by OQ Plan (by Company and State)

List each company and subsidiary separately, broken down by state (using 2-letter designation). If a company has intrastate and/or interstate mileage in several states, use one row per state. If there are both gas and liquid lines, use both the first and second table. For small gas operators (e.g. master meter, LP), use the third table.

Jurisdictional to Part 192 (Gas) Mileage

Company (Gas Operator)	Operator ID	State	Interstate Gathering	Intrastate Gathering	Interstate Transmission	Intrastate Transmission	Interstate Distribution*	Intrastate Distribution*	Remarks
Illinois Gas Company	8030	IL						360	

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 195 (Hazardous Liquid) Mileage

Company (Liquid Operator)	Operator ID	State	Interstate Transmission	Intrastate Transmission	Remarks

(To add rows, press TAB with cursor in last cell.)

Jurisdictional to Part 192 (Gas) Mileage – Small Operators

Company (Small Gas Operator)	Operator ID	State	Small Gas (e.g., master meter)*	LP*	Remarks

(To add rows, press TAB with cursor in last cell.)

1. Supply company name and Operator ID, if not the master operator from the first page (i.e., for subsidiary companies).
2. Use OPS-assigned Operator ID. Where not applicable, leave blank or enter n/a.
3. Use only 2-letter state codes in column #3, e.g., TX for Texas.
4. Enter number of applicable miles in all other columns. (Only positive values. No need to enter 0 or n/a.)
5. * Please do not include Service Line footage. This should only be MAINS.

1 - Document Program Plan, Implementing Procedures and Qualification Criteria**1.01 Application and Customization of “Off-the-Shelf” Programs**

Does the operator’s plan identify covered tasks and does it specify task-specific reevaluation intervals for individuals performing covered tasks? (Associated Protocols: 1.05, 2.01, 5.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: The plan identifies the covered tasks in the covered task list incorporated and located at the back of the plan. The definition of a covered task is defined in II of the plan on page 4. There are a total of 42 covered tasks listed in Appendix A of the plan on pages 16-17. Evaluation categories are defined in D on page 9 of the plan. The re-evaluation / qualification intervals are defined with each of the covered tasks on the covered task list in Appendix A.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.02 Contractor Qualification

Does the operator employ contractor organizations to provide individuals to perform covered tasks? If so, what are the methods used to qualify these individuals and how does the operator ensure that contractor individuals are qualified in accordance with the operator’s OQ program plan?

* Verify that the operator’s written program includes provisions that require all contractor and subcontractor individuals be evaluated and qualified prior to performing covered tasks, unless the covered task is performed by a non-qualified individual under the direction and observation of a qualified individual. (Associated Protocols: 1.05, 2.02, 3.02)

<input type="checkbox"/> No Issues Identified	Inspection Notes: No contractors are utilized by Illinois Gas to perform covered tasks. There is a provision on the plan indicating the requirements if and when a contractor is utilized. This is defined in IX of the plan on page 14.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input checked="" type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.03 Management of Other Entities Performing Covered Tasks

Has the operator’s OQ program included provisions that require individuals from any other entity performing covered task(s) on behalf of the operator (e.g., through mutual assistance agreements) be evaluated and qualified prior to task performance?

* Verify that other entities that perform covered task(s) on behalf of the operator are addressed under the operator’s OQ program and that individuals from such other entities performing covered tasks on behalf of the operator are evaluated and qualified consistent with the operator’s program requirements. (Associated Protocols: 1.05, 2.02)

<input checked="checked" type="checkbox"/> No Issues Identified	Inspection Notes: Mutual Assistance requirement is defined in X of the plan on page 15. There have been no instances since the OQ plan was established where mutual assistance has been utilized.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.04 Training Requirements (Initial Qualification, Remedial if Initial Failure, and Reevaluation)

Does the operator's OQ program plan contain policy and criteria for the use of training in initial qualification of individuals performing covered tasks, and are criteria in existence for re-training and reevaluation of individuals if qualifications are questioned? **(Associated Protocols: 5.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Training is defined in V of the plan on pages 7-8 of the plan. The evaluation process is defined in VI of the plan on pages 8-9.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1.05 Written Qualification Program

Did the operator meet the OQ Rule requirements for establishing a written operator qualification program and completing qualification of individuals performing covered tasks?

- * Verify that the operator's written qualification program was established by April 27, 2001.
- * Verify that the written qualification program identified all covered tasks for the operator's operations and maintenance functions being conducted as of October 28, 2002.
- * Verify that the written qualification program established an evaluation method(s) to be used in the initial qualification of individuals performing covered tasks as of October 28, 2002.
- * Verify that all individuals performing covered tasks as of October 28, 2002, and not otherwise directed or observed by a qualified individual were qualified in accordance with the operator's written qualification program. **(Associated Protocols: 3.01, 7.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: The initial plan was established by April 27, 2001. Covered tasks were identified by October 28, 2002. The initial plan included evaluation methods to be utilized and has been improved on as the program and new OQ information was learned. Staff conducted a random review of 5 of the employees of Illinois Gas / USDI and determined they are currently qualified for the tasks performed. These were Mike Wendling, Darin Houchin, Brad Walker, Chad Greenwood and Gary Compton. Staff also reviewed Terry Linton who retired at the beginning of 2012 to ensure they are maintaining his qualifications for 5 years.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2 - Identify Covered Tasks and Related Evaluation Methods

2.01 Development of Covered Task List

How did the operator develop its covered task list?

* Verify that the operator applied the four-part test to determine whether 49 CFR Part 192 or 49 CFR Part 195 O&M activities applicable to the operator are covered tasks.

* Verify that the operator has identified and documented all applicable covered tasks. (**Associated Protocols: 8.01**)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: The operator utilizes the four part test identified in III of the OQ Plan on page 6. Review of the covered task list established there are a total of 42 covered tasks identified in Appendix A of the plan and appear to meet the tasks being performed by their employees.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2.02 Evaluation Method(s) (Demonstration of Knowledge, Skill and Ability) and Relationship to Covered Tasks

Has the operator established and documented the evaluation method(s) appropriate to each covered task?

* Verify what evaluation method(s) has been established and documented for each covered task.

* Verify that the operator's evaluation program ensures that individuals can perform assigned covered tasks.

* Verify that the evaluation method is not limited to observation of on-the-job performance, except with respect to tasks for which OPS has determined that such observation is the best method of examining or testing qualifications. The results of any such observations shall be documented in writing. (**Associated Protocols: 3.01, 3.02**)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Evaluation methods is identified in B of IV on pages 8-9. The operator has a document indicating what training, testing and skills test that are to be conducted to establish qualification. Operator Qualification Covered Task Worksheet. In no case is the evaluation method limited to only on the job performance. All tasks have training, testing and skill tests to be completed to establish qualification.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

2.03 Planning for Mergers and Acquisitions (Due Diligence re: Acquiring Qualified Individuals)

Does the operator have a process for managing qualifications of individuals performing covered tasks during program integration following a merger or acquisition (applicable only to operators engaged in merger and acquisition activities)?

* Verify that the OQ program describes the process for ensuring OQ qualifications, evaluations, and performance of covered tasks during the merger with or acquisition of other entities. **(Associated Protocols 3.01 3.02)**

<input checked="checked" type="checkbox"/> No Issues Identified	Inspection Notes: Mergers and or acquisitions is listed in C of the plan on page 18 under "Notification of the State Agency for Program Modifications".
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

3 - Identify Individuals Performing Covered Tasks

3.01 Development/Documentation of Areas of Qualification for Individuals Performing Covered Tasks

Does the operator's program document the evaluation and qualifications of individuals performing covered tasks, and can the qualification of individuals performing covered tasks be verified?

* Verify that the operator's qualification program has documented the evaluation of individuals performing covered tasks.

* Verify that the operator's qualification program has documented the qualifications of individuals performing covered tasks. **(Associated Protocols: 4.02, 7.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Staff's review of the documentation associated with the individuals qualifications included review of the testing performed while reviewing the modules, written testing and the findings of the skills and ability portion of the qualification process. Adequate documentation of this process is being maintained.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

3.02 Covered Task Performed by Non-Qualified Individual

Has the operator established provisions to allow non-qualified individuals to perform covered tasks while being directed and observed by a qualified individual, and are there restrictions and limitations placed on such activities?

* Verify that the operator's program includes provisions for the performance of a covered task by a non-qualified individual under the direction and observation by a qualified individual. **(Associated Protocols: 2.01, 2.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Procedures used when non-qualified individuals are utilized are defined in F of VI on page 10 of the plan. The number of non-qualified to qualified is defined in the Covered Task List in Appendix A of XI in the plan on pages 16-17. These do not exceed 3 non-qualified to one qualified individual. In approximately 60% they are a 1 to 1 ratio.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

4 - Evaluate and Qualify Individuals Performing Covered Tasks

4.01 Role of and Approach to "Work Performance History Review"

Does the operator use work performance history review as the sole method of qualification for individuals performing covered tasks prior to October 26, 1999, and does the operator's program specify that work performance history review will not be used as the sole method of evaluation for qualification after October 28, 2002?

* Verify that after October 28, 2002, work performance history is not used as a sole evaluation method.

* Verify that individuals beginning work on covered tasks after October 26, 1999 have not been qualified using work performance history review as the sole method of evaluation. **(Associated Protocols: 2.02)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Work Performance History Reviews were not utilized as a sole method of qualification. Qualifications established after October 26, 1999, were not qualified using work performance history reviews as the sole method. They have utilized online training, written testing and skills and ability testing.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

4.02 Evaluation of Individual's Capability to Recognize and React to AOCs

Are all qualified individuals able to recognize and react to AOCs? Has the operator evaluated and qualified individuals for their capability to recognize and react to AOCs? Are the AOCs identified as those that the individual may reasonably anticipate and appropriately react to during the performance of the covered task? Has the operator established provisions for communicating AOCs for the purpose of qualifying individuals?

* Verify that individuals performing covered tasks have been qualified in recognizing and reacting to AOCs they may encounter in performing such tasks. **(Associated Protocols 3.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: The skills and ability tests include a process to determine the Abnormal Operating Conditions and the ability of the individual to react to the AOC or AOC's. This is defined in C of VI Evaluation Process on page 9.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

5 - Continued/Periodic Evaluation of Individuals Performing Covered Tasks

5.01 Personnel Performance Monitoring

Does the operator's program include provisions to evaluate an individual if the operator has reason to believe the individual is no longer qualified to perform a covered task based on: covered task performance by an individual contributed to an incident or accident; other factors affecting the performance of covered tasks?

* Verify that the operator's program ensures re-evaluation of individuals whose performance of a covered task may have contributed to an incident or accident.

* Verify that the operator has established provisions for determining whether an individual is no longer qualified to perform a covered task, and requires reevaluation.

(Specific Protocols: 2.02)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Performance Contributing to an Incident is defined in G of VI on page 11. At this point in the program this has not yet been utilized. Reasonable Cause to Verify Qualification is defined in H of VI on page 11. The plan includes Absenteeism, Transfer Between Departments, Loss of Motor Skills, Vision or Impairment, Statement from the Employee, Prolonged Period of Non-performance of a Covered Task, Willful or Repeated Failure to Perform a Covered Task and Observance of an Individual While Performing a Covered Task Incorrectly.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

5.02 Reevaluation Interval and Methodology for Determining the Interval

Has the operator established and justified requirements for reevaluation of individuals performing covered tasks?

* Verify that the operator has established intervals for reevaluating individuals performing covered tasks. (Associated Protocols: None)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: This is defined in E of VI on pages 9-10. The operator has included the required items that are identified in the guidance. These are Consistent with others within the Industry, Frequency of performing the task, Safety Sensitive, Complexity, Checks and balances, Statutory Requirements and the Availability of Evaluation methods. A majority of the qualification intervals for covered tasks have a 3 year interval.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	

Check exactly one box above.

6 - Monitor Program Performance; Seek Improvement Opportunities

6.01 Program Performance and Improvement

Does the operator have provisions to evaluate performance of its OQ program and implement improvements to enhance the effectiveness of its program?

(Associated Protocols: None)

<input checked="checked" type="checkbox"/> No Issues Identified	Inspection Notes: In D of IV the plan requires an annual review to be conducted to establish the current covered tasks list is adequate and to determine the effectiveness of the program. As a part of the audit, Staff reviewed the findings of their annual reviews that have been conducted on the program.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

7 - Maintain Program Records

7.01 Qualification “Trail”(i.e., covered task; individual performing; evaluation method(s); continuing performance evaluation; reevaluation interval; reevaluation records)

Does the operator maintain records in accordance with the requirements of 49 CFR 192, subpart N, and 49 CFR 195, subpart G, for all individuals performing covered tasks, including contractor individuals?

- * Verify that qualification records for all individuals performing covered tasks include the information identified in the regulations.
- * Verify that the operator's program ensures the retention of records of prior qualification and records of individuals no longer performing covered tasks for at least five years.
- * Verify that the operator's program ensures the availability of qualification records of individuals (employees, contractors and third party entities) currently performing covered tasks, or who have previously performed covered tasks. **(Associated Protocols: 1.05, 3.01)**

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Record Keeping is defined in VII on pages 13-14 of the plan. Records are required to and are being kept for a minimum of 5 years and if one leaves the company must be retained for a subsequent five years after the separation date. This was established as being maintained by reviewing the records of an individual who had retired in 2012 and by reviewing the records of the current employees.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

8 - Manage Change

8.01 Management of Changes (to Procedures, Tools, Standards, etc.)

Does the operator's OQ program identify how changes to procedures, tools standards and other elements used by individuals in performing covered tasks are communicated to the individuals, including contractor individuals, and how these changes are implemented in the evaluation method(s)?

- * Verify that the operator's program identifies changes that affect covered tasks and how those changes are communicated, when appropriate, to affected individuals.
- * Verify that the operator's program identifies and incorporates changes that affect covered tasks.
- * Verify that the operator's program includes provisions for the communication of changes (e.g., who, what, when, where, why) in the qualification program to the affected individuals.
- * Verify that the operator incorporates changes into initial and subsequent evaluations.
- * Verify that contractors supplying individuals to perform covered tasks for the operator are notified of changes that affect task performance and thereby the qualification of these individuals.

(Associated Protocols 1.04)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Change Management is defined in VII of the plan on pages 12-13.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

8.02 Notification of Significant Program Changes

Does the operator have a process for identifying significant OQ written program changes and notifying the appropriate regulatory agency of these changes once the program has been reviewed?

- * Verify that the operator's written program contains provisions to notify OPS or the appropriate regulatory agency of significant modifications to a program that has been reviewed for compliance.

(Associated Protocols: None)

<input checked="" type="checkbox"/> No Issues Identified	Inspection Notes: Significant Change is defined in C of VII of the plan on page 13. This requires notification of State Programs on significant changes to the program. This is defined on page 13.
<input type="checkbox"/> Potential Issues Identified (explain)	
<input type="checkbox"/> N/A (explain)	
<input type="checkbox"/> Not Inspected	
Check exactly one box above.	

1. Wholesale changes made to an OQ Plan or Program, whether due to an overall effort to improve program performance, or due to a merger or acquisition that results in incorporating the best features of the competing plans and programs.
2. Recommend the operator send a letter to accompany the program that addresses the changes made to the program. The official notification should be addressed to headquarters.

9 – Field Inspection Findings

No field evaluations were conducted during the audit.

Additional Inspection Notes

No issues, notices of amendments or probable violations were identified during the review of the Illinois Gas / USDI OQ Plan.